



# COUNTY OF LOS ANGELES

## DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

DONALD L. WOLFE, Director

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

June 19, 2007

IN REPLY PLEASE

REFER TO FILE: PD-5

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**LOS ANGELES COUNTY TOKEN PROGRAM FOR THE INDIGENT  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
PROPOSITION C DISCRETIONARY GRANT PROGRAM  
FISCAL YEAR 2006-07  
ALL SUPERVISORIAL DISTRICTS  
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Accept \$700,000 in grant funds from the Los Angeles County Metropolitan Transportation Authority (Metro) to reimburse the County of Los Angeles for costs incurred in Fiscal Year 2006-07 for the Los Angeles County Token Program for the Indigent.
2. Authorize the Director of Public Works, or his designee, to negotiate and execute a Memorandum of Understanding (MOU) substantially similar to the enclosed MOU with Metro, and to act as agent for the County when conducting business with Metro on any and all matters related to this MOU, including negotiating and signing any amendments, certifications, and requests for reimbursement.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of this action is to accept \$700,000 in grant funds from Metro to reimburse the County for costs incurred during Fiscal Year 2006-07 for the Los Angeles County Token Program for the Indigent. This action also delegates authority to the Director of Public Works, or his designee, to execute an MOU, substantially similar to the enclosed MOU, with Metro for receipt of these funds.

The Los Angeles County Token Program for the Indigent is a County of Los Angeles Department of Public Social Services (DPSS) social service program, which provides transportation subsidies in the form of bus tokens and passes to eligible General Relief clients. Token warrants and passes are issued to eligible General Relief clients who redeem them for bus tokens or passes at the DPSS offices and approved vendor outlets. This project benefits these General Relief clients in all cities and the unincorporated areas of the County of Los Angeles by providing transportation to locations for employment training and job search activities as well as transportation for their first month of employment.

On October 27, 2005, Metro's Board approved an annual amount of \$700,000 in Proposition C Discretionary Program funding for this project for two years, Fiscal Years 2005-06 and 2006-07.

### **Implementation of Strategic Plan Goals**

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility by actively seeking external funding sources.

### **FISCAL IMPACT/FINANCING**

There will be no impact on the County's General Fund for Fiscal Year 2006-07. The total annual cost to Public Works for the Los Angeles County Token Program for the Indigent is \$2,000,000. The \$700,000 grant from Metro will partially reimburse the Transit Enterprise Fund for costs incurred. The \$2,000,000 is financed from funds available in each Supervisorial District's Proposition A Local Return Transit Program, in the Fiscal Year 2006-07 Transit Enterprise Fund Budget administered by Public Works.

Public Works has not included this subsidy in the County's Proposition A Local Return Transit Program in Fiscal Year 2007-08. Metro has not included \$700,000 for this Program in their Fiscal Year 2007-08 Budget. In the DPSS Proposed Budget for Fiscal Year 2007-08, the costs of the Los Angeles County Token Program for the Indigent will

be fully offset by funds from the Food Stamp Employment and Training Program and net County costs.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On July 11, 2000, your Board approved guidelines to be followed when accepting grants of \$100,000 or more. These guidelines include a requirement that the County departments prepare a Grant Management Statement for your review prior to carrying out the activities covered under this grant. Accordingly, the Grant Management Statement for this grant is enclosed for your review.

The enclosed draft MOU has been tentatively approved as to form by County Counsel. The MOU for Fiscal Year 2006-07 will be reviewed and approved by County Counsel prior to signature by the Director of Public Works, or his designee.

#### **ENVIRONMENTAL DOCUMENTATION**

The recommended actions do not constitute a project as defined by the California Environmental Quality Act, Section 15378, and, therefore, do not require an environmental finding.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

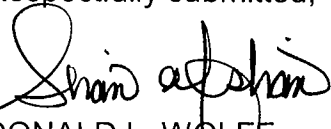
This action will provide grant funds to finance a portion of the costs incurred to provide transportation to residents of the County of Los Angeles.

The Honorable Board of Supervisors  
June 19, 2007  
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**CONCLUSION**

Upon approval, please return three adopted copies of this letter to Public Works.

Respectfully submitted,

  
**FOR:** DONALD L. WOLFE  
Director of Public Works

AD:dv

C070542

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Enc. 2

cc: Chief Administrative Office  
County Counsel  
Department of Public Social Services

**PROPOSITION C  
MEMORANDUM OF UNDERSTANDING  
TOKEN PROGRAM**

This Memorandum of Understanding (MOU) is made and effective as of December 1, 2006, by and between the Los Angeles County Metropolitan Transportation Authority ("Metro") and the County of Los Angeles Department of Public Works ("Grantee") for the Los Angeles County Token Program for the Indigent (the "Project").

WHEREAS, the Metro Board of Directors, at its October 27, 2005 meeting, approved funds for the Project and authorized a grant to Grantee, subject to the terms and conditions contained in this MOU.

NOW, THEREFORE, the parties hereby agree as follows:

1     **TERM.**

- 1.1     The term of this MOU is for one year for Fiscal Year 2006-07 and can be terminated by either party on 30 days prior written notice unless terminated earlier as provided herein.

2     **FUNDING.**

- 2.1     To the extent the funds (the "Funds") are available; Metro shall make to Grantee a one-time grant of the Funds in the amount of \$700,000, for the Project in accordance with Programmed Budget Source of Funds (Attachment A). Metro Board of Directors action of June 15, 2006, approved the budget and funds for the Project for Fiscal Year 2006-07.
- 2.2     This grant shall be paid in accordance with the Financial Plan (Attachment B). All disbursements of Funds shall be considered an estimate subject to adjustment based on Quarterly Cost Certification reports (as specified in Section 5.1 of this MOU) and Metro audit results.

3.     **INVOICE BY GRANTEE.**

- 3.1     Unless otherwise stated in this MOU, the Quarterly Cost Certification Reports, as described in Section 5.1 of this MOU, shall satisfy Metro invoicing requirements.

4.     **USE OF FUNDS.**

- 4.1     Grantee shall utilize the Funds to support the Project as described in the Scope of Work attached as Attachment C and in accordance with the most recently adopted Metro Proposition C Guidelines (the "Guidelines"). The Funds, as granted under this MOU, can only be used towards the completion of this Scope of Work.

- 4.2 Grantee shall not use the Funds to substitute for any other funds or projects not specified in this MOU.

5. **REPORTING AND AUDIT REQUIREMENTS/PAYMENT ADJUSTMENTS.**

- 5.1 Grantee shall submit Quarterly Cost Certification reports on the last day of the months of October, January, April, and July. Should Grantee fail to submit such reports within 10 days of the due date, Metro may withhold, at its sole discretion, the Funds from Grantee. Metro will reconcile Quarterly Cost Certification reports to Funds disbursements on a quarterly basis. All disbursements shall be considered an estimate subject to adjustment based on this reconciliation. Future disbursement of Funds may be reduced and/or delayed if actual Project costs, as provided in the Quarterly Cost Certification reports, are significantly less than Fund disbursements.
- 5.2 Metro, and/or its designee, shall have the right to conduct financial and compliance audits of the Project. Grantee agrees to establish and maintain proper accounting procedures and cash management records and documents in accordance with generally accepted accounting principles. The Grantee shall reimburse Metro for any expenditures not in compliance with the Scope of Work and/or not in compliance with other terms and conditions as defined by this MOU.

6. **SOURCES AND DISPOSITION OF FUNDS.**

- 6.1 If the funds identified in the Programmed Budget (Attachment A) are insufficient to complete the Project, Grantee agrees to secure and provide such additional funds necessary to complete the Project, unless otherwise agreed to in writing by the parties.
- 6.2 This is a one-time grant of Funds. Any and all costs incurred for the Project by Grantee in excess of the \$700,000 grant of the Funds, shall be the responsibility of Grantee.

7. **DEFAULT.**

- 7.1 A Default under this MOU is defined as any one or more of the following: (i) Grantee fails to comply with the terms and conditions contained herein; or (ii) Grantee makes a material change, as reasonably determined by Metro, to the Financial Plan, the Scope of Work, or the Programmed Budget without Metro's prior written consent or approval as provided herein.

8. **REMEDIES.**

- 8.1 In the event of a Default by Grantee, Metro shall provide written notice of such Default to Grantee with a 30-day period to cure the Default. In the event Grantee fails to cure the Default, or fails to commit to cure the Default and commence the same within such 30-day period to the satisfaction of Metro, shall have the following remedies: (i) Metro may terminate this MOU; (ii) Metro may make no further disbursements of Funds to Grantee under this

this MOU; and/or (iii) Metro may recover from Grantee any Funds disbursed to Grantee after the default.

- 8.2 Effective upon receipt of written notice of termination from Metro, Grantee shall discontinue all services described in the Scope of Work. Further, Grantee shall not undertake any new work or obligation with respect to this MOU unless mutually agreed with Metro.
- 8.3 The remedies described herein are non-exclusive. Grantee and Metro shall have the right to enforce any and all rights and remedies herein or which may be now or hereafter available at law or in equity.

## 9. OTHER TERMS AND CONDITIONS.

- 9.1 This MOU, along with its Attachments and the Guidelines, constitutes the entire understanding between the parties, with respect to the subject matter herein. The MOU shall not be amended, nor any provisions or breach hereof waived, except in writing signed by the parties. Adoption of revisions or Metro supplements to the guidelines by shall cause such revisions or supplements to become incorporated automatically into this MOU as though fully set forth herein.
- 9.2 In the event that there is any legal proceeding between the parties to enforce or interpret this MOU to protect or establish any rights or remedies hereunder, each party shall pay its own costs and expenses, including attorneys' fees.
- 9.3 Grantee shall retain all original records and documents related to the work herein for a period of three (3) years after Project Completion.
- 9.4 Neither the Metro nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Grantee under or in connection with any work performed by and or service provided by Grantee, its officers, agents employees and subcontractors under this MOU or the Guidelines. Grantee shall fully indemnify, defend and hold the Metro, and its officers, agents and employees harmless from and against any liability and expenses, including without limitation, defense costs, any costs or liability on account of bodily injury, death or personal injury of any person or for damage to or loss of risk of property, any environmental obligation, any legal fees and any claims for damages or any nature whatsoever arising out of the Project, including, without limitation, (i) misuse of the Funds by Grantee, or its officers, agents, employees, contractors or subcontractors; (ii) breach of the Grantee's obligations under this MOU; or (iii) any act or omission of the Grantee, or its officers, agents, employees, contractors or subcontractors in the performance of the work or the provision of the services, including, without limitation, the Scope of Work, described in this MOU.
- 9.5 Neither party hereto shall be considered in default in the performance of its obligation hereunder to the extent that the performance of any such obligation is prevented or delayed by unforeseen causes including acts of God, acts of a

public enemy, and government acts beyond the control and without fault or negligence of the affected party. Each party hereto shall give notice promptly to the other of the nature and extent of any such circumstances claimed to delay, hinder, or prevent performance of any obligations under this MOU.

- 9.6 Grantee shall comply with and insure that work performed under this MOU is done in compliance with all applicable provisions of federal, state, and local laws, statutes, ordinances, rules, regulations, and procedural requirements and the applicable requirements and regulations of the Metro. Grantee acknowledges responsibility for obtaining copies of and complying with the terms of the most recent federal, state, or local laws and regulations and requirements including any amendments thereto. The terms of such federal, Metro state, or local laws and regulations and Metro requirements are applicable to this MOU to the maximum extent feasible, unless otherwise provided for in writing by the Metro.
- 9.7 Grantee agrees that the requirements of this MOU shall be included, as applicable, in every subcontract entered into by Grantee and its contractors relating to work performed under this MOU.
- 9.8 Grantee shall not assign this MOU, or any part thereof, without written consent and prior approval of the Metro Chief Executive Officer or his designee, and any assignment without said consent shall be void and unenforceable.
- 9.9 This MOU shall be governed by California law. If any provision of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- 9.10 The covenants and agreements of this MOU shall inure to the benefit of, and shall be binding upon, each of the parties and their respective successors and assigns.
- 9.11 Notice will be given to the parties at the address specified below unless otherwise notified in writing of change of address.

Metro's Address:

Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, CA 90012  
Attention: Armineh Saint, Project Manager, Local Programming  
MS 99-23-3

Grantee's Address:

County of Los Angeles Department of Public Works  
P.O. Box 1460  
Alhambra, CA 91802-1460  
Attention: David Stringer, Transit Manager

- 9.12 Grantee in the performance of the work required by this MOU is an independent contractor and not an agent or employee of the Metro. Grantee shall not represent itself as an agent or employee of the Metro and shall have no powers to bind the Metro in contract or otherwise.

IN WITNESS WHEREOF, the parties have caused this MOU to be executed by their duly authorized representatives as of the dates indicated below:

Metro:

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

By: \_\_\_\_\_  
Roger Snoble  
Chief Executive Officer

\_\_\_\_\_ Date

GRANTEE:

LOS ANGELES COUNTY DEPARTMENT OF PUBLIC WORKS

By: \_\_\_\_\_  
Donald L. Wolfe  
Director of Public Works

\_\_\_\_\_ Date

APPROVED AS TO FORM:

Raymond G. Fortner, Jr.  
County Counsel

By: \_\_\_\_\_  
Deputy

\_\_\_\_\_ Date

ATTACHMENT A

Memorandum of Understanding (MOU)

MOU.P01ACTPIA

PROGRAMMED BUDGET - SOURCES OF FUNDS

SOURCES OF FUNDS	FY 2006-07	FY 2008-08	FY 2008-09	FY 2009-10	TOTAL BUDGET	% OF BUDGET
MTA Programmed Funds:						
Proposition C 10% .....						
Proposition C 25% .....						
Proposition C 40% .....	\$700,000				\$700,000	
Grantee Funding Commitment (specify type)						
TOTAL PROGRAMMED BUDGET	\$700,000				\$700,000	

# ATTACHMENT B

MOU.P01ACTPIA

## Memorandum of Understanding (MOU)

### FINANCIAL PLAN

SOURCES OF FUNDS	PRIOR ALLOCATION	FY07 QTR 1	FY07 QTR 2	FY07 QTR 3	FY07 QTR 4	FUTURE REQUEST	TOTAL BUDGET
LOCAL							
Proposition C 5%							
Proposition C 10%							
Proposition C 25%							
Proposition C 40%		\$175,000	\$175,000	\$175,000	\$175,000		\$700,000
Local Match							
Proposition A Local Return Funds							
STATE							
STIP							
Other (Specify Source)							
FEDERAL							
CMAQ							
RSTP							
FTA 5307 (Section 9)							
FTA Section 3							
Other (Specify Source)							
TOTAL BUDGET		\$175,000	\$175,000	\$175,000	\$175,000		\$700,000

C:\LIPMOU\MOU-A

**MOU ATTACHMENT C  
SCOPE OF WORK**

**LOS ANGELES COUNTY TOKEN PROGRAM FOR THE INDIGENT**

SCOPE OF WORK

**PROJECT DESCRIPTION, LOCATION AND OBJECTIVES**

The Los Angeles County Token Program for the Indigent is a Los Angeles County Department of Public Social Services (DPSS) transportation program which provides transportation subsidies in the form of bus tokens. Token warrants are issued to eligible General Relief clients who redeem them for tokens at DPSS offices and approved private vendor outlets. Tokens are issued to eligible General Relief clients to provide the following transportation needs:

- To comply with General Relief Employable (GRE) requirements such as work assignments to perform Job Searches, attend Workfare Programs and (re)register with the State Employment Development Department (EDD).
- To comply with special payment related and training activities.
- As an allowance for transportation to and from work pending receipt of a first paycheck.

This project fulfills the transportation needs of the indigents in all cities and the unincorporated areas of Los Angeles County. It can serve as an innovative example of how residents of Los Angeles County with varying incomes can utilize public transportation to seek and travel to places of employment and other social activities. It is also a cost effective solution to provide transportation to a widely dispersed segment of the client population. In addition, as the population becomes employable they may continue to utilize public transit as a means to get to and from work.

QUARTERLY REPORTING

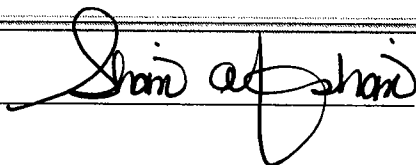
DPSS will administer the program and invoice the Los Angeles Department of Public Works (DPW) for reimbursement for the cost of the tokens. The quarterly reports will report the number of tokens and cost of tokens issued each month, with quarterly and to-date totals, to each of the municipal operators.

# Los Angeles County Chief Administrative Office

## Grant Management Statement for Grants \$100,000 or More

<b>Department:</b> Public Works		
<b>Grant Project Title and Description</b>		
Los Angeles County Token Program for the Indigent (DPW's subsidy to DPSS)		
<b>Funding Agency</b>	<b>Program (Fed. Grant #/State Bill or Code #)</b>	<b>Grant Acceptance Deadline</b>
Metro	Metro Proposition C Discretionary Program	Upon Board Approval
<b>Total Amount of Grant Funding:</b> \$700,000		<b>County Match:</b> \$1,300,000 (hard costs)
<b>Grant Period:</b> 12 months	<b>Begin Date:</b> 7-01-2006	<b>End Date:</b> 6-30-2007
<b>Number of Personnel Hired Under This Grant:</b> 0	<b>Full Time:</b> n/a	<b>Part Time:</b> n/a
<b>Obligations Imposed on the County When the Grant Expires</b>		
Will all personnel hired for this program be informed this is a grant-funded program?	N/A	
Will all personnel hired for this program be placed on temporary ("N") items?	N/A	
Is the County obligated to continue this program after the grant expires?	Yes	No <u>X</u>
If the County is not obligated to continue this program after the grant expires, the Department will:		
a.) Absorb the program cost without reducing other services	Yes	No <u>X</u>
b.) Identify other revenue sources (describe below): Public Works will not be recommending this \$2 million subsidy for DPSS's program in FY 2007-08. DPSS has budgeted the \$700,000 grant and received approval from the CAO to use \$1,300,000 in net County Costs in FY 2007-08 to replace Public Works' prior subsidy. Public Works will assist DPSS in their efforts with Metro to continue receiving this grant funding.	Yes	No <u>X</u>
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	No <u>X</u>
<b>Impact of additional personnel on existing space:</b> N/A		
<b>Other requirements not mentioned above:</b>		

Department Head Signature



Date:

6/6/07